



To: SEDCO Board of Directors
From: Ben Slate
Date: September 9, 2026
Re: SEDCO Board of Directors Meeting Agenda – September 9, 2026

The Syracuse Economic Development Corporation **Board of Directors Meeting on Wednesday September 9, 2026, at 4:00 PM, held in One Park Place, 300 South State Street, Syracuse, NY 13202.**

I. Call Meeting to Order

II. Roll Call

III. Proof of Notice

IV. Minutes

Approval of minutes from the July 8, 2026, Board Meeting.

V. New Business

Restructuring of Existing Loan-

1. Deys Commercial Properties, LLC

Review and discussion regarding the restructuring of SEDCO's existing Loan with Deys Commercial Properties, LLC

VI. Adjourn



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PLEASE POST

PLEASE POST

PUBLIC MEETING NOTICE

THE SYRACUSE ECONOMIC DEVELOPMENT CORPORATION

HAS SCHEDULED

A

BOARD OF DIRECTORS MEETING

ON

Wednesday, September 9, 2026

AT 4:00 PM

IN THE THORNDEN CONFERENCE ROOM

LOCATED AT

SYRACUSE CITY OFFICES AT ONE PARK PLACE

300 SOUTH STATE STREET SUITE 700, SYRACUSE, NY 13202

Link to Meeting:

<https://teams.microsoft.com/meet/269779078155926?p=Wbg0yje4AijOoJlzfH>

For more information, please contact Benjmain Slate at SEDco@syr.gov

Minutes
Syracuse Economic Development Corporation
Board of Directors Meeting
Wednesday July 8, 2026
4:00 – 5:00 PM

Meeting was held in **One Park Place, 300 South State Street, Syracuse, NY 13202**

Board Members Present: Eric Ennis, Sheena Solomon, Carl Thomas, Steve Gross, Rita Paniagua, and Calvin Corriders

Board Members Excused: Melissa Davis, Andrew Fish, and Patrick Lannon

Staff Present: Benjamin Slate, Brianca Hill, and Ted Spencer

I. Call Meeting to Order

Mr. Ennis called the meeting to order at 4:08 PM.

II. Roll Call

Mr. Ennis acknowledged that all Board Members were present with the exception of Melissa Davis, Andrew Fish, and Patrick Lannon

III. Proof of Notice

Mr. Ennis made note acknowledging proof of notice was out in a timely manner.

IV. Minutes

Mr. Ennis and board members reviewed the meeting minutes from the May 13, 2026, Board meeting. No further discussion was held regarding the minutes and the board members present recommended for approval.

Ms. Paniagua made the motion to approve the request. Ms. Solomon seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED.**

V. New Business

Review and discussion of the loan financing requests submitted for consideration.

The Mizpah, LLC

Mr. Slate provided an overview of the loan request from The Mizpah, LLC. The business is currently in the process of completing renovations at its downtown location. SEDCO previously approved a loan in 2025 in the amount of \$125,000 to support leasehold improvements and equipment purchases. Due to unforeseen cost overruns, the project requires additional funding to reach completion.

The Borrower requested an additional loan of \$100,000 with a 120-month term (10 years) at a fixed interest rate of 6%, including a six-month interest-only period, with proceeds to fund the final buildout of the project. Staff also recommended extending the interest-only period of the borrower's original loan so the terms of both loans would align.

Mr. Corridors made the motion to approve the request to extend the interest only period of the Borrower's original loan. Mr. Thomas seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED.**

Mr. Corridors made the motion to approve the new loan request for additional financing as presented. Ms. Paniagua seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED.**

VI. Adjourn

Mr. Ennis asked for a motion to adjourn the monthly board meeting. Ms. Solomon made the motion to adjourn. Ms. Paniagua seconded the motion. **ALL BOARD MEMBERS PRESENT APPROVE TO ADJOURN THE MEETING.**

The meeting adjourned at 4:40 PM.



September 9, 2026

Memorandum To: **SEDco Board Of Directors**
Re: **Deys Commercial Properties, LLC - Loan Restructuring Request**

Background:

Dey's Plaza is a mixed-use building in Downtown Syracuse and located at 401 South Salina Street. The building opened in 1894 as the home of Dey Bros. Department Store, located in the heart of the South Salina Street retail district. Following decades of decline and the loss of retail department stores in downtown, the building underwent conversion into a mixed-use development in 2010, initially opening with 45 apartments, with an additional 16 units that came online in 2014. When the initial mixed-use investment was planned, SEDCO participated as a subordination lender on the project, providing \$5,175,172 in loan financing in order to proceed with a \$10,100,000 redevelopment of the building, become of the first and largest investments in new downtown housing development at the time.

The borrower, Dey's Plaza LLC continued to make principal and interest payments on the debt service until as the property began to struggle with cash-flow instability following the loss of its largest commercial tenant, Bank of NY Mellon, after the bank decided to relocate from Downtown Syracuse and consolidate its operations in 2017. The property, which is 235,000 square feet spread across four interconnected structures containing over 147,000 square feet of residential units and more than 67,000 square feet of commercial space. The loss of BNY Mellon resulted in 23,000 of vacant Class A office space that has remained unused since the bank's departure. In an attempt to address this, both the SEDCO Loan Committee and the Board of Directors considered proposals in late 2020 that would split the building into two condominium units and leverage substantial new financing through Fannie Mae for the residential floors and Pathfinder Bank for the commercial portion. The intention was to convert the vacated BNY Mellon office space that has proved difficult to lease into additional apartments, given the strong demand in Downtown for residential units.

As part of the restructuring approved in late 2020, the owners proposed converting the residential floors into a dedicated condominium backed by an anticipated \$11.3 million Fannie Mae loan and creating a separate commercial condominium financed through \$2 million in new funds from Pathfinder Bank. These proceeds were expected to reduce SEDCO's exposure and establish needed reserves. To enable this structure, the owners requested significant concessions, which included the removal of SEDCO's lien from the residential unit, future conditional payments tied to commercial leasing progress, and forgiveness of more than \$1.7 million in remaining SEDCO debt. After substantial deliberation by both the Loan Committee and the Board of Directors, SEDCO's final commitment letter represented a measured response, in which SEDCO agreed to discharge its lien on the residential condominium and simultaneously subordinate its position behind Pathfinder Bank on the commercial condominium, allowing the refinancing plan to advance while preserving SEDCO's position on the property. At the same time, SEDCO restructured its loan to remain in place at a 1% interest-only rate, acknowledging the building's cash-flow challenges amid the broader economic pressures at that time. The restructure of the existing SEDCO debt also consolidated two separate loans on the building into a single loan and included a one-time payment of \$500,000 toward the principal balance on the debt. That payment was received in 2020, reducing the overall principal balance amount owed to SEDCO as \$4,290,185.

The challenges of 2020 were compounded by the sharp increase in construction and financing costs during the pandemic, ultimately preventing the commercial condominium project from being completed despite early financing discussions. The rising price of materials, supply chain disruptions, and constrained labor markets made the residential conversion financially infeasible, leaving only the commercial condominium structure moving forward under the terms SEDCO set in late 2020. Since that time the borrower has continued to make monthly 1% interest-only payments as required, while they have continued working to identify a lender who would provide the financing needed to complete the residential conversion of the vacant office space.

SEDco Loan Request:

The borrower is requesting SEDCO's approval to refinance their existing commercial condominium loan by transitioning from Pathfinder Bank to Genesee Regional Bank (GRB) as the new first-position lender. Over the past several years, SEDCO's loan has remained in place as a 1% interest-only structure, generating interest but no principal payments, leaving today's

outstanding balance at \$4,290,185. GRB is proposing a new \$7,000,000 financing package that would replace Pathfinder Bank's remaining balance of approximately \$1,490,000 million, with the additional funds dedicated to completing 19 unfinished residential units and constructing 60 new storage units within the property. The proposed loan would have an 18-month construction period in which the borrower would be required to make interest only payments, followed by a 10-year permanent financing with a rate no less than 7%, a 25-year amortization schedule and a 10-year term.

To facilitate this transaction, the borrower is requesting that SEDCO approve a continued second-position lien behind GRB and maintain its 1% interest-only loan structure for a seven-year term. During this time, SEDCO will begin receiving principal payments of \$50,000 annually as well as upon completion of the construction funded through GRB's loan, SEDCO would receive a one-time payment of \$100,000 toward the principal balance that would be sourced from a grant award the project has been committed from the Onondaga County O-CHIP Housing Program. Together, these terms are intended to strengthen the building's cash flow, complete long-delayed improvements, and establish a more sustainable repayment path for SEDCO. The grant proceeds would be paid to SEDCO upon completion of the 19 residential units.

Collateral:

SEDCO will maintain a Second Position Lien on the commercial condominium as well as continued unlimited personal guarantees from both Richard DeVito and Robert Doucette.

Sources and Uses:

Based on this request SEDCO will not be providing any additional funding to the project.

Recommendation:

SEDCO Staff recommends approval of the borrower's request to refinance their existing commercial condominium loan through Genesee Regional Bank (GRB). This refinance maintains SEDCO's current second-position lien while strengthening our repayment outlook on the \$4.29 Million in outstanding principal debt that is owed to the corporation from this borrower. The proposed structure introduces annual principal payments of \$50,000 for the first time since the loan was restructured in 2020, alongside the continuation of the 1% interest-only rate that has supported the project through cash-flow challenges. Additionally, the one-time \$100,000 payment upon completion of construction through the O-CHIPs grant fund will further reduce SEDCO's exposure and demonstrates the borrower's commitment to meeting its obligations.

Staff also recognizes the community benefit associated with this refinancing. GRB's investment will enable the completion of 19 new residential units and 60 storage units in the downtown core, strengthening the property's financial stability and contributing to ongoing revitalization efforts in the area. These improvements will enhance revenue generation, increase long-term security for SEDCO's position, and support broader strategic goals for downtown housing. It will also help address years of uncertainty about the status of the project to repurpose the commercial office space and help stabilize the building with revenue generating apartments that have strong lease-up demand. For these reasons, SEDCO Staff supports approving the borrower's refinancing request.

This recommended approval of the restructured terms will be contingent upon the borrower providing a satisfactory appraisal that is approved by the first-position lending institution. Additionally, approval will require that both the borrower and GRB submit a Subordination Agreement acceptable to SEDCO's Executive Director, President, and legal counsel.